

# COMMONWEALTH of VIRGINIA

Department of Criminal Justice Services

Shannon Dion Director

Megan Peterson Chief Deputy Director Washington Building 1100 Bank Street Richmond, Virginia 23219 (804) 786-4000 www.dcjs.virginia.gov

May 4, 2020

### Good Afternoon Program Directors & Stakeholders:

On behalf of everyone at the Virginia Department of Criminal Justice Services (DCJS), we hope that you and your loved ones are healthy and managing through this challenging time. We recognize programs are facing unexpected expenses and exploring creative ways to continue providing services. We are here to support you and are available to answer any questions you may have.

We would like to provide a few updates from our March 26, 2020 communication. While the environment around us is uncertain and ever-changing, we are committed to providing you with needed information during these unprecedented times. Additionally, we will be archiving all communications and other information on our webpage so you can find them for easy reference. Prior communications and resources can be found at <a href="https://www.dcjs.virginia.gov/victims-services/covid-19-resources">https://www.dcjs.virginia.gov/victims-services/covid-19-resources</a>.

## FFCRA and PPP Loan Program:

Regarding the Families First Coronavirus Response Act (FFCRA) and the Paycheck Protection Program (PPP), we wanted to share the guidance we have received from the Office for Victims of Crime (OVC). As stated in prior communications, DCJS is committed to working with and allowing our sub-recipients to adapt to remote work, tele-therapy, alternative services, etc. Your grant award will not be impacted nor reduced should your organization move to temporary remote services. DCJS will allow sub-recipients to continue to charge salaries and benefits to their grant awards consistent with the sub-recipients' policy of paying salaries and benefits under unexpected or extraordinary circumstances from all funding sources (federal and non-federal).

Regarding the PPP loans, we ask that you consider the following guidance on duplication and supplantation if/when receiving loan money.

**Duplication** occurs when a sub-recipient uses grant funds to pay for specific costs already covered by other sources. In other words, you should not use the PPP loan to cover expenses that you can get reimbursed from your grant award. For example: a PPP loan pays the salary for staff #1, but then a grant reimbursement is requested for staff #1's salary costs – this would be considered duplication. You would need to reallocate the PPP loan funds to a different cost item that is not supported with grant funds. As

another example, a PPP loan pays the salary for staff #1, then a budget amendment is submitted to DCJS to move staff #1's salary costs to another allowable grant cost – this would not be considered duplication and is allowable.

**Supplantation** occurs when a sub-recipient intentionally replaces its other state or local victim services funding sources with grant funding. This is unlikely to occur with PPP loan funds, but please be mindful that supplantation remains unallowable under the Victims of Crime Act (VOCA) Rule.

#### **Match and PPP Loans:**

Unless waived, sub-recipients must contribute at least 20% of total project costs for VOCA-supported grants. Regarding match, the use of funds from a private loan (whether forgiven later or not) is essentially a sub-recipient's commitment of its own funds. Although the PPP loan is a federally-guaranteed loan, OVC does not consider this loan (even if forgiven) to be funds "paid by the Federal Government under another Federal award" for purposes of match (see 2 C.F.R. § 200.306). Thus, such funds would be a permissible source of match for VOCA-supported grants. The sub-recipient could not, however, use VOCA-supported grant funds to replace those loan funds and still count the loan funds as match.

### **VOCA Match Waiver:**

If your program finds that meeting the match requirement will be challenging due to COVID-19 (e.g., lack of volunteers or hours that can be provided, lack of donations), please contact Anya Shaffer, VOCA Administrator (anya.shaffer@dcjs.virginia.gov), and your DCJS Grant Monitor as soon as possible. DCJS can assist your program by issuing a partial match waiver for the remainder of State Fiscal Year 2020. While we recognize that you may not know this yet, we ask that you communicate with us as soon as you notice that match is being impacted. Guidance on the DCJS Match Waiver Policy is attached to this correspondence.

As always, please reach out to your DCJS Grant Monitor with any questions or concerns. We thank you for your continued commitment to serving victims and wish you and your loved ones well.

With warm regards,

Kristina L. Vadas

Victims Services Manager